

**REMARKS**

Claims 1 – 17 are pending in the present application and stand rejected. Claims 1 and 2 are rejected under 35 USC 102(b) as being anticipated by U.S. Patent No. 6,047,195 to Nakanishi (hereinafter “Nakanishi”). Claims 3 – 17 are rejected under 35 USC 103(a) as being unpatentable over Nakanishi in view of well-known prior art in addition to U.S. Patent No. 6,134,455 to Corkum, and U.S. Patent No. 5,471,518 to Barber et al.

The specification has been amended to correct various informalities per the Examiner's comments on page 2 of the Office Action. Further, the instant amendment corrects a typographical error in the numbering of the figures. No new matter has been added by way of these amendments to the specification.

To address the claim rejections, applicant has amended claim 1 to include limitations that are neither taught nor suggested by Nakanishi. Support for the limitation of the circuit board and attached stereophonic speakers of the instant amendment may be found in Figure 1 and on page 3, lines 17 – 24. Further, support for the limitation of the first and second switching of the instant amendment may be found in Figure 3 and from page 6, line 15 to page 7 line 12.

Nakanishi teaches a telephone device that may be used indoors with a home base station as a portable telephone, and outside with a public (cellular) base station as a cellular phone. Nakanishi's telephone device includes a receiving speaker 20 and a calling speaker 22. As disclosed, the receiving speaker 20 outputs a sound (voice from a calling party) whereas calling sound speaker 22 outputs a calling sound (ringer). Further, Nakanishi discloses that when the device is used with the home base station (indoors), the calling sound speaker 22 is set to output a loud ringer, and the receiving speaker 20 is set to output a small voice signal, since the user is often separated from the phone during indoor use, and it is often relatively quiet indoors with

little background noise. When the device is used with the public base station, the converse of the foregoing is true such that the calling sound speaker 22 outputs a low or soft ringer, and the receiving speaker 20 outputs a loud voice signal, since the phone is often carried on one's person and background noise is typically prevalent. Nakanishi does not teach or suggest that the speakers 20 and 22 cooperate to implement a stereophonic effect such as with a ring tone or stored music.

The application is considered in good and proper form for allowance, and the examiner is respectfully requested to pass this application to issue. If, in the opinion of the examiner, a telephone conference would expedite the prosecution of the subject application, the examiner is invited to call the undersigned.

Respectfully submitted,



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